

ARTICLE APPENDED
ON PAGE 132

WASHINGTON POST
27 November 1986

THE REAGAN ADMINISTRATION'S SECRET ARMS DEAL

Contra Aid Faces Renewed Resistance

By Edward Walsh
Washington Post Staff Writer

President Reagan's policy of supplying military aid to the Nicaraguan contras, which was dealt one setback on Election Day when Democrats regained Senate control, faces renewed and possibly fatal resistance on Capitol Hill following disclosure of the transfer of funds from arms sales to Iran to aid the rebels in Central America.

Senate Democratic leaders already have discussed informally an attempt as early as January to cut off further payments to the contras from the \$100 million in aid that Congress authorized in October.

At the moment, according to congressional aides, it appears unlikely that Congress will succeed in halting the flow of the \$100 million, which consists of \$70 million in military aid and \$30 million in nonlethal, "humanitarian" assistance. But the longer-term prospects for the Reagan policy in Central America and for continued U.S. aid to the contras appear much bleaker, lawmakers from both parties said.

"They will not get another nickel," said Gerald F. Warburg, an aide to Senate Democratic Whip Alan Cranston (D-Calif.), a leading opponent of the contra aid program.

"As for future spending, the contras are on their own," said Rep. Dave McCurdy (D-Okla.), who played a key role in the House debate over the issue.

McCurdy said that Reagan's "loss of credibility" because of the Iran arms deal and its link to a secret operation in Central America was a severe blow to the contras, who now must demonstrate that they "can become an effective political and military force" before any more U.S. funds flow their way.

"I don't think the president is going to be able to carry them like he did the last time because of the loss of credibility and the whole question of disarray," he said.

Republican supporters of Reagan's policy, while arguing that aid to the contras should be judged on its merits and not on the link to Iran, concede they face a much more difficult task in sustaining the program in the 100th Congress, which convenes on Jan. 6.

"It certainly is not going to help the cause," Rep. William S. Broomfield (R-Mich.), ranking Republican on the House Foreign Affairs Committee, said after revelation of the secret transfer of funds.

A key test of sentiment in the new Congress could come in mid-February, when the final \$40 million of the \$100 million aid package is due to be released following certification by Reagan that Nicaragua's leftist Sandinista government has not entered into serious discussions with its opponents. At the same time, a congressionally appointed commission set up to monitor the aid program is scheduled to report its findings to Congress.

The final \$40 million is the only part of the aid package authorized for the purchase of "heavy weapons," and the approach of the Feb. 15 date for its release appears certain to renew debate over administration policy in Central America,

with the Iranian connection providing a new ingredient of uncertain dimensions.

Congress could block release of the \$40 million by passage of a joint resolution of disapproval. Reagan, however, still has the upper hand on aid that has already been authorized because he could veto a disapproval resolution. Democratic congressional aides concede there are not now enough votes in either the House or the Senate to override a veto.

In the Senate, Cranston is pressing his Democratic colleagues to end the contra aid program "at the first available opportunity," according to Warburg. While there is no consensus on whether to seek to block the remaining portion of the \$100 million package, he said, attempts will be made to attach a ban on contra aid to important legislation being sought by the administration.

House Democratic leaders appear far less enthusiastic about an attempt to halt the existing \$100 million aid program. "There is no reason to do it," a House leadership aide said. "The difficulty for the administration is not the old money but in a new vote for additional money . . . The votes are there to deny new money."

The votes to deny additional aid are also available in the new, Democratic-controlled Senate, Warburg said. He said Cranston stayed up until dawn of the morning after the November elections going over the new Senate lineup, and concluded that there are "at least 51 votes against contra aid."